



## DIVISION OF FINANCE

301 West High Street, Room 630  
P.O. Box 716  
Jefferson City, MO 65102-0716  
(573) 751-3242  
(573) 751-9192 FAX  
finance.mo.gov

Richard J. Weaver  
Commissioner of Finance

June 11, 2010

The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of March 31, 2010, and a comparison with the statements filed one year earlier. Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state chartered banks and trust companies decreased by four from 291 to 287. Two banks and one nondeposit trust company merged into other institutions. Three state chartered banks closed in the twelve month period. There were two new bank charters granted when national institutions converted to state chartered banks.

Assets in state-chartered banks totaled \$78.5 billion on March 31, 2010, an increase of 0.9 percent from one year earlier. Deposits were \$64.1 billion, up 2.9 percent. Total loans were \$52.3 billion on March 31, 2010, down 4.4 percent.

The decline in total loans is the result of several factors. One large bank's sale of a number of out of state branches, including the loans originated at those branches, to out of state banks accounted for most of the decline. Many other banks report a lack of loan demand. During the quarter, over one half of state chartered banks increased loan balances, but these increases were not sufficient to offset the significant decreases reported by the other institutions.

Asset quality remains challenging for Missouri state-chartered banks. Missouri state chartered banks reported a higher volume of past due loans at the end of the quarter. Loans 30 days or more past due and those on nonaccrual rose to 5.36 percent of total loans, the highest quarter end ratio in many years. Loans 90 days or more past due or on nonaccrual and other real estate represented 32 percent of capital and reserves on an aggregate basis. This ratio continues to grow and is up sharply from 14 percent at yearend 2008.

Net income returned to positive territory in the first quarter for the first time in a year. The return on assets in the first quarter was 0.11 percent; however, large losses at three banks heavily influenced this ratio. The return on assets for the remaining 278 banks was 0.73 percent. 106 (or 38 percent) of the 281 banks had a return on assets of 1 percent or more. Banks continue to strengthen reserves for the adverse effects of the economy on loan portfolios, as Allowances for Loan and Lease Losses increased to 2.17 percent of total loans.

A handwritten signature in cursive script, reading "Richard J. Weaver".

Richard J. Weaver  
Commissioner of Finance

**COMPARATIVE STATEMENT OF CONDITION  
STATE BANKS AND TRUST COMPANIES IN MISSOURI  
AS OF MARCH 31, 2010**

THOUSANDS OF DOLLARS	281 BANKS 3/31/2010	284 BANKS 3/31/2009	INCREASE DECREASE()	PERCENT CHANGE
<b>ASSETS</b>				
Total Loans	\$52,311,902	\$54,739,002	(\$2,427,100)	-4.4%
Allowance for Loan Losses	1,134,564	996,795	137,769	13.8%
Total Assets	78,531,571	77,841,250	690,321	0.9%
<b>LIABILITIES</b>				
Total Deposits	64,101,055	62,289,202	1,811,853	2.9%
Total Equity Capital	7,778,682	7,818,245	(39,563)	-0.5%

OPERATING RATIOS	3/31/2010	3/31/2009	CHANGE
Equity Capital/Assets	9.91%	10.04%	-0.14%
Tangible Equity Capital/Assets	8.75%	8.71%	0.04%
Capital and Allowance for Loan Losses/Assets	11.19%	11.18%	0.01%
Total Loans/Assets	66.61%	70.32%	-3.71%
Past Due and Nonaccrual Loans/Total Loans	5.36%	4.08%	1.28%
Allowance for Loan Losses/Loans	2.17%	1.82%	0.35%
Average Net Interest Margin	3.85%	3.65%	0.20%
Return on Assets	0.11%	-0.22%	0.33%

**NOTES:**

2009 does not include seven nondeposit trust companies.  
2010 does not include six nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION  
STATE AND NATIONAL BANKS IN MISSOURI  
AS OF MARCH 31, 2010**

MILLIONS OF DOLLARS	3/31/2010			3/31/2009	
	281 STATE BANKS	35 NATIONAL BANKS	316 ALL BANKS	321 ALL BANKS	PERCENT CHANGE
ASSETS					
Cash and Due from Banks	6,410	3,531	9,941	7,008	41.9%
Investment Securities	13,491	12,295	25,786	21,357	20.7%
Total Loans and Leases	52,311	22,862	75,173	79,636	-5.6%
Less: Reserves	1,135	552	1,687	1,444	16.8%
Federal Funds Sold	1,793	206	1,999	3,796	-47.3%
Fixed Assets	1,576	850	2,426	2,446	-0.8%
Other Real Estate	893	281	1,174	776	51.3%
Intangible Assets	995	256	1,251	1,422	-12.0%
Other assets	2,198	1,139	3,337	2,944	13.3%
TOTAL ASSETS	\$78,532	\$40,868	\$119,400	\$117,941	1.2%
LIABILITIES					
Total Deposits	64,101	32,523	96,624	93,652	3.2%
Deposits over 100M	11,586	4,047	15,633	15,837	-1.3%
Brokered Deposits	6,412	353	6,765	7,099	-4.7%
Federal Funds Purchased	2,299	2,874	5,173	6,096	-15.1%
Other liabilities	4,353	1,961	6,314	6,950	-9.2%
Total Equity Capital	7,779	3,510	11,289	11,243	0.4%
TOTAL LIABILITIES	\$78,532	\$40,868	\$119,400	\$117,941	1.2%
EARNINGS					
Interest Income	880	400	1,280	1,353	-5.4%
Interest Expense	257	81	338	480	-29.6%
Net Interest Income	623	319	942	873	7.9%
Provision for Loan Losses	142	81	223	334	-33.2%
Net Income	86	56	142	-13	1192.3%
Cash Dividends	67	12	79	115	-31.3%
Net Loan Losses	171	74	245	213	15.0%